



STATE OF WEST VIRGINIA
OFFICE OF THE ATTORNEY GENERAL
DARRELL V. MCGRAW, JR.
CONSUMER PROTECTION DIVISION
1-800-368-8808 or 304-558-8986

Press Release

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FOR IMMEDIATE RELEASE CONTACT: Jill Miles
304-558-8986
1-800-368-8808

**ATTORNEY GENERAL DARRELL MCGRAW SETTLES WITH
BIG SANDY SUPERSTORES – CONSUMERS WILL RECEIVE
APPROXIMATELY \$330,995.92 IN CASH AND IN-STORE CREDITS**

Attorney General Darrell McGraw announced a settlement with Big Sandy Furniture, Inc., doing business as Big Sandy Superstores. Under the terms of the settlement, Big Sandy, a Kentucky corporation headquartered in Franklin Furnace, Ohio, will provide 414 consumers with an in-store credit that the company will honor for the next eighteen months. These same consumers have already received approximately \$137,542.22 in cash from a rebate program called 50% Cash Back.

In 1992 and 1993, Big Sandy offered a cash rebate to West Virginia consumers through a program entitled 50% Cash Back. This rebate program offered consumers a 50% rebate on furniture and/or appliance purchases they made at Big Sandy. After making a purchase, consumers received an application to qualify for the rebate and, under the terms of the program, were required to mail it to 50% Cash Back within twenty-one (21) days of the date of their purchase. Cash Back would then mail consumers certificates. The certificate instructed the consumer to keep them for approximately ten (10) years and then mail them back to 50% Cash Back. The deadline for mailing the rebate certificate was based on the anniversary date printed on the certificate. Consumers were required to mail their certificates "after but within ninety (90) days of the tenth anniversary date of the date you purchased your product."

In 2002, consumers began mailing their certificates to 50% Cash Back to claim their rebates. Those consumers who did qualify under the program did not receive a rebate. Instead, they received a letter from the claims administrator for 50% Cash Back, advising them that the rebate program was underfunded and that they would only receive a portion of the rebate to which they were entitled. During August 2003, claims administration services issued rebate checks to consumers for 39% of the amount the consumers were due. In other words, consumers who were entitled to receive a \$1,000 rebate received \$390 instead.

Attorney General McGraw began investigating the rebate program earlier this summer after consumers started calling his Consumer Protection Division complaining about the shortfall. The Attorney General's office was able to secure the names and addresses of every consumer who qualified under the program. Approximately 505 consumers qualified. These consumers were paid 39% of the amount of their rebate they were due, or \$137,542.22.

After negotiating with officials of Big Sandy, the company agreed to provide an in-store credit for the remaining 61% due consumers, valued at approximately \$193,453.73. Under the terms of the settlement, Big Sandy will create gift cards for the amount each consumer is owed. These gift cards will be provided to the Attorney General's office and then mailed to the consumers. Consumers will receive an in-store credit ranging from \$75-\$2400. Consumers will have eighteen months in which to redeem these gift cards. "I am pleased that the company has stepped up to the plate and is honoring its original agreement. This settlement is a win-win for both Big Sandy and its West Virginia customers," said Attorney General McGraw.

If you would like more information, please contact Attorney General McGraw's Consumer Protection Division at 1-800-368-8808 or 304-558-8986.

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